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SUMMARY

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PROBLEMS OF STUCTURE AND TERRITORIAL DISTRIBUTION OF INDUSTRY

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PROBLEMS OF THE STRUCTURE AND TERRITORIAL DISTRIBUTION OF INDUSTRY

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1. The proportional development of economy requires the establishment of correct proportions between the various branches of the national economy, as well as the establishment of adequate proportions in the many-sided development of each region.

2. As to the first group of proportions, this paper presents some of the main proportions with the aid of which a corresponding structure of industry is ensured:

a) The proportion between the output of the branches producing means of production and the output of consumer goods.

i) In the Rumanian People's Republic this proportion was achieved through the priority increase of the output of the means of production (Group A) compared with the increase of the output of consumer goods (Group B).

ii) Compared with 1938, Group A increased 7.8 times in 1961, and Group B over four times. Within heavy industry, the machine building production increased in 1961 by 13 times as against 1938.

iii) In 1961 the weight of Group A reached 60.9 per cent of the total of industrial output compared with 45.5 per cent in 1938, and that of Group B decreased from 54.5 per cent in 1938 to 39.1 per cent in 1961

b) The proportion between the branches of the extraction industry and the branches of the processing industry. The establishing of correct proportions between these branches ensures the constant development of production and a rhythmical activity in the utilization of the production capacities, as well as of the labour force.

c) The proportion between the output of electric power and the output of the other industrial branches.

i) In order to satisfy the necessities of electric power of the other industrial branches and of the economy, for the introduction of new technique in production by means of electrification , mechanization and automation of production processes, it is necessary that the output of electric power grow at a more rapid rate than the whole industrial production. In 1961 in the Romanian People's Republic the output of electric power went up 12 times as against 1938, an increase much superior to the growth of production all over industry.

3. The rational territorial distribution of the forces of production ensures the economic development of all regions with a view to obtaining a general economic impetus.

4. The planned territorial distribution of production takes into account both the requirements of the development of the whole national economy, and the economic, social and natural conditions of each region. It is achieved first of all through the getting nearer of production to the basis of raw materials and the consumption centres of the respective products. This results in the ever more complete and many-sided use of the natural riches and the labour force, the growth of the productivity of social labour, the liquidation of un-economical transport. At the same time, it deepens specialization within the national economy, parallel with the multilateral development of the economy of all the country's regions.

5. In the pre-war period, 67.5 per cent of the total of industrial production was achieved in six industrial districts, representing small territories where the industrial enterprises were often grouped at random, without an organical link of production among them.

6. In the post-war period, the serious regional disproportions inherited were gradually liquidated and new industrial districts have been created in the process of industrialization. These were created on the basis of certain links of production between enterprises and branches of production, representing a rational territorial organization of industrial production.

7. Consistently applying the policy of economic development of the regions backward in the past and granting priority to the location of new industrial constructions in these regions, industrial production increased in the years 1951-1960 at a rate superior to the country's average in most of these regions. Rationally organized territorial complexes of production took shape and continue to appear on the territory of the Rumanian People's Republic, which in their turn, contribute to the constant development of the national economy, to the increase of the material and cultural living standard of the population.

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